In the matter of the Application of the **SOUTHERN CALIFORNIA WATER COMPANY** (U 133 W) for an order authorizing it to increase rates for water service in 2004 in its Region 1 Customer Service Areas by \$179,200 or 2.62% in Arden-Cordova CSA; \$93,400 or 1.98% in the Bay Point CSA; \$115,900 or 4.55% in the Ojai CSA; and various other relief.

Application 03-10-057

JOINT MOTION TO ADOPT STIPULATION AND FOR AN ORDER OF AN ADDITIONAL PHASE TO THIS APPLICATION

The Office of Ratepayer Advocates (ORA) and Applicant, Southern California Water Company, (SCWC) (collectively, the "Parties") have agreed on a resolution of all but one issue in this proceeding, as set forth in the attached Stipulation. The Parties hereby submit the Stipulation for approval and adoption pursuant to Rule 51 *et seq.* of the Rules of Practice and Procedure of the Commission.

The Parties represent to the Commission that, pursuant to Rule 51.1(b), prior to entering into the Stipulation, the parties convened a settlement conference on May 18, 2004, with notice and opportunity to participate provided to all parties by ORA letter dated May 3, 2004, for the purpose of discussing settlement of the issues in this proceeding. Representatives of ORA and SCWC, the only parties to this proceeding, attended and participated in the settlement conference.

The Parties represent to the Commission that the Stipulation commands the sponsorship of all of the parties to this proceeding- ORA and SCWC. The Parties further represent to the Commission that they are fairly representative of all affected interests in

this proceeding, that no term of this Stipulation contravenes any statutory provision or any decision of the Commission, and that the Stipulation, together with the record in this proceeding, including the attachments to the Stipulation which include a Summary of Earnings and the Settlement impact on the typical customer, conveys to the Commission sufficient information to permit the Commission to discharge its regulatory obligations with respect to the parties and their interests. An evidentiary hearing to examine, explain and justify the terms of the Stipulation is scheduled to be held on June 8, 2004.

The Parties believe that the Stipulation is fair and reasonable in light of the whole record, consistent with applicable law, and in the public interest. To the extent that the Stipulation does not reflect a complete settlement of all the issues in this proceeding, the Parties believe that an Order from the Commission regarding the non-settled issues (i.e., those regarding the Arden-Cordova CSA Litigation Memorandum Account) be addressed in a further phase of this proceeding. For all of the above reasons, the Parties request that the Commission adopt the attached Stipulation in its entirety.

I affirm that a representative of Southern California Water Company, Jenny A. Darney-Lane, has authorized me sign this pleading on behalf of her company.

Respectfully submitted,

PAUL ANGELOPULO Attorney Staff Counsel

Attorney for the Office of Ratepayer Advocates

California Public Utilities Commission 505 Van Ness Ave. San Francisco, CA 94102 Phone: (415) 703-4742

Fax: (415) 703-2262

June 4, 2004

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a copy of the foregoing document "JOINT MOTION TO ADOPT STIPULATION AND FOR AN ORDER OF AN ADDITIONAL PHASE TO THIS APPLICATION" in A.03-10-057. A copy was served as follows:

[X] **BY E-MAIL**: I sent a true copy via e-mail to all known parties of record who have provided e-mail addresses.

[X] **BY MAIL**: I sent a true copy via first-class mail to all known parties of record.

Executed in San Francisco, California, on the 4th day of June, 2004.

Charlene D. Lundy	